## REMARKS

Claim 1 recites "a licensing module means." The Office Action cited "license server, 82" of Biddle as disclosing the licensing module means of claim 1. However, claim 1 further recites that the licensing module means is "for giving each customer terminal computer permission to download a program module to said customer terminal." In contrast, Biddle discloses in paragraph [0054], "After downloading and installing the application, user 30 has the option of obtaining a license for the application."

Claim 1 recites, "said licensing module means comprising an executable software application being executed on each said customer terminal computer." The license server 82 of Biddle is not executed on each customer terminal computer. In paragraph [0056], Biddle discloses that the licensing server is installed "onto the vendor's server system." Because these claimed features are not disclosed by Biddle, it is submitted that the rejection has been overcome.

Claim 2 is allowable for at least the reasons stated with respect to claim 1 above. In addition, claim 2 includes the feature that "said e-commerce server computer and said program module server computer being distinct from one another." These separate computers are not disclosed in the reference cited by the Office Action (fig 1, page 5 paragraphs 0053, 0054 of Biddle). In fact, with respect to Figure 1, Biddle refers to "downloading of software from a distributor computer 25 to a user computer 30 and a licensing model is executed through secure, online transactions between distributor 25 and the user 30." Paragraph [0049]. Therefore, it is requested that the rejection be withdrawn.

Claims 3 - 5 are allowable for at least the reasons stated with respect to claim 1 above.

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Claim 10 recites "e-commerce site means for distributing licensing modules to each said customer terminal computer." The Office Action referred to "licensing server, 82" of Biddle as showing this feature. However, the licensing server 82 of Biddle is disclosed functioning as part of the software licensing system (SLS). The function of the SLS is disclosed as being "to integrate licensing information and security measures into the software application." See paragraph 0055. Another disclosed function is "to establish a database and a method for tracking and managing software licenses." See paragraph 0055. There is no disclosure in the cited paragraphs of using the licensing server for the claimed function.

Claims 11 and 12 are allowable for at least the reasons given with respect to Claim 10 above.

Claim 13 is allowable for at least the reasons given with respect to claim 10 above. In addition, claim 13 recites, "each said licensing module cooperating with one said program module to function as a whole." The Office Action cited Biddle Figure 1 and paragraphs 0054 and 0055 as disclosing the claimed features. The claimed features do not appear to be shown by the figure or the cited paragraph. The Office Action did not point out particular features in the reference that correspond to the claimed features. Therefore, it is requested that the rejection be withdrawn.

Claim 14 is allowable for at least the reasons given with respect to claim 13 above. In addition, claim 14 recites, "the distribution of the program module is responsive to the prior execution of one said licensing module on one said customer terminal computer." The Office Action did not cite features of the reference that disclose these features of claim 14. Therefore, it is requested that the rejection be withdrawn.

Claim 15 is allowable for at least the reasons given with respect to claim 14 above. In addition, claim 15 recites "said distribution of one said program module commences automatically in response to user input to said executed licensing module."

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The Office Action did not cite features of the reference that disclose these features of claim 15. Therefore, it is requested that the rejection be withdrawn.

Claim 16 is allowable for at least the reasons given with respect to claim 15 above. In addition, claim 16 recites, "the execution of said program module defines a licensed condition and an unlicensed condition, the program module executes in said licensed or unlicensed condition responsive to output from said licensing module." The Office Action did not cite features of the reference that disclose these features of claim 16. Therefore, it is requested that the rejection be withdrawn.

Claim 17 is allowable for at least the reasons given with respect to claim 16 above. In addition, claim 17 recites, "execution of said program module in said unlicensed condition is permitted for a pre-defined period of time, whereby expiration of said pre-defined period of time will prevent said program module from further execution." The Office Action did not cite features of the reference that disclose these features of claim 17. Therefore, it is requested that the rejection be withdrawn.

The two objections made in the Office Action to the present application have, it is submitted, been overcome.

Accordingly, it is believed that the present application is now in condition for allowance and an early indication of its allowance is solicited. However, if the Examiner is aware of any further matters that require attention, a telephone call to the undersigned attorney at (415) 318-1160 would be appreciated.

Respectfully submitted,

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